

8. Testing, Logging, Coring and Fracing Program (cont'd):

Fracing Program:

After the casing is run and cemented, the zones of interest will be perforated. If stimulation is necessary the well will be fraced with foam (nitrogen and water base fluid). Fracing with volatile liquids is not planned.

See Diagram "E"

9. Abnormal Conditions:

Farmington Formation at 869' will possibly take 13.5 ppg mud to control. Normal temperature gradient is expected.

10. Anticipated starting date and duration:

Starting Date: 6-1-80
Duration: 8 days

Name Walt J. Caddy
Title Dist. Mgr.
Date 4-9-80